

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6535

BILL NUMBER: HB 1218

NOTE PREPARED: Dec 27, 2009

BILL AMENDED:

SUBJECT: Review of Bid Selection.

FIRST AUTHOR: Rep. Davis

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☐ **DEDICATED**
☐ **FEDERAL**

IMPACT: State

Summary of Legislation: The bill requires a state agency, if it awards a contract for a public work or improvement to a person other than the lowest bidder, to meet upon request with the lowest bidder and to discuss the lowest bidder's bid with the lowest bidder. It requires each state agency to develop a policy concerning such meetings.

Effective Date: July 1, 2010.

Explanation of State Expenditures: The bill will have minimal fiscal impact on state agencies in the event that the agency does not accept the lowest bid for a public work or improvement. The bill's requirements are within the agencies' routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

Background: The bill requires each state agency that lets public works contracts to develop a policy which will not have the effect or force of law to discuss with a low-bid offeror the reason(s) that the bid was not accepted and to provide that person a written explanation of the agency's reasons for accepting a higher bid.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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